IN THE HIGH COURT OF JUDICATURE
ANDHRA PRADESH
AT HYDERABAD

THE HON'BLE MR JUSTICE NOOTY RAMAMOHANA RAO

WRIT PETITION NO :20144 of 2007

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Dated: 21st September 2007.

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Between:

M/s. Ganga Gouri and Gayatri Theatres, A firm having its office at Veera Reddy Estage, Ananthapur, Rep. By its Managing Partner S.Onnuru Reddy, S/o Late Veera Reddy, Aged agout 65 years, Occ: Business, R/o Vidyut Nagar, Ananthapur 0 515 001.

..... PETITIONER

AND

The Manager, State Bank of Hyderabad, Tilak Road, Ananthapur and another.

.....RESPONDENTS

THE HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO

W.P.NO.20144 OF 2007

ORAL ORDER:

This writ petition challenges the action of the 2nd respondent-Recovery Officer of the Employees State Insurance Corporation, Hyderabad, in passing orders through his proceedings dated 6th February 2006 followed up by proceedings dated 6th September 2007, under Sections 45C to 45G of the Employees State Insurance Act.

Though the learned counsel for the petitioner has raised various contentions, he could persuade his client to see the reasonableness of liquidating the claim of the Employees State Insurance Corporation, which is intending to utilize its funds for the purpose of providing infra-structural facilities by securing medical insurance of the employees in the private sector. Therefore, the learned counsel had filed a memorandum today into the Court, which is treated as forming part of the record.

The learned Standing Counsel for respodent-Corporation Sri B.G.Ravinder Reddy would oppose

any such move on the part of this Court in granting the installments inasmuch as he submits that this money is due to the Corporation a long time back and, therefore, the Corporation should be allowed the liberty and free-hand to recover the same.

After giving my anxious consideration to the rival submissions, I find considerable force in the submissions made by the learned counsel for the petitioner that even though the petitioner may have committed a default or an error of judgment on its part in failing to remit the contributions promptly, consequently, becoming liable to pay the amount demanded in the impugned orders, nonetheless, the larger public interests will be sub-served by enabling them to liquidate the entire liability at the earliest.

I, therefore, consider it appropriate to grant time to the petitioner to liquidate the entire liability at the rate of Rs.12,000/- (Rupees Twelve thousand only) per month to be remitted on or before the 21st of every succeeding month. If the petitioner were to commit default in remitting the amount aforementioned for any two consecutive months, the ESI Corporation would be at liberty, without any further reference to this Court, to recover the money.

With this, the writ petition stands allowed at the stage of admission and the order of attachment

passed against the petitioner stands raised automatically upon remittance of the first installment of the amount due by the petitioner. No costs.

Nooty Ramamohana Rao, J

Note:

Issue copy by 24th September 2007.

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21st September 2007.